C. F. 71 & 72—70,000—14-7-30

C.F. 71 & 72

19 31.

Department of L R & Sett.

OFFICE Bd. of Rev.

STATION Madras.

His

No. 4118

Dated 23-12-31

Ic 1925
Issue

Date Instrs

To whom sent

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Pages in the file

1

(SUBJECT.)

Mining leases - Manganese - (Beliary) - Kurnool R. Immediate grant - reserve - Remission or suspension of Rent - Rule. 3647 His. dt. 20.11.31 - Revision - Instructions.

* Not to be filled in in the case of permanent records.

C.F. 32.

Revenue DEPARTMENT.

K 1929

In reply, please quote number, date and short title.*

Received ..... *Registered* .....

From (Name) A.M.A.C.Galletti Esq., M.A., I.C.S.,

(Designation) Collector of Bellary.

Post Box ....., (Station) .....

Telegraphic Address .....

BOARD OF REVENUE
10 DEC 1931
LAND REVENUE AND SETTLEMENT

To The Secretary to the Commissioners,

Board of Revenue, Land Revenue and Settlement,

Madras.

Ref.C. *No.* 3837/31A.1, *dated* 9-12-31. 19

Sir,

ENCLOSURES .....

.....

.....

SPARE COPIES .....

Mining lease- Manganese - Kudligi taluk- Tummagaguddi reserve- remission or suspension of dead rent.

Ref:- B.P.Mis.No. 3697 dated 20-11-31. (M)

The Board has asked me to inform Mr. T. Raghava that the rules do not permit the suspension of dead rent and the only concession that can be allowed under the rules was that already granted in B.P.Mis.2636 dated 20-8-1931. (T) The concession granted was permission to start working the mine up to a time limit of two years provided that he paid the dead rent regularly. But I must respectfully point out (1) that there appears to be no rule to that effect and (2) that the Board approved my proposal to suspend Part VII para 3 and parts V and VI of the mining lease in respect of Gunda reserve granted to Mr. Abdul Hye. My recommendation in that case was perfectly clear and meant that dead rent should be suspended since the obligation to pay dead rent is one of the obligations included in parts V and VI of the lease. I have also communicated a copy of the Board's order to the lessee Mr. Abdul Hye and he will therefore not be paying dead rent. I submit that on Abdul Hye's precedent, suspension of parts of the lease will also in this case carry with it suspension of dead rent. The Board's orders in the present case may therefore be revised.

A.S.N./9-12.

For Collector.

R. F. XXII-A-19—30,000—2-2-31 (6)

FOR MEMBER.

Subject. Mining leases - Manganese - (Bellary) - ~~Kud~~ Kudligi Tk - Jummaraguddi reserve Remission or suspension of dead-rent - BB 3697 Mis & 20.11.31 - Revies - Proposal - Negatived

READ AGAIN B. P. No. 2636 Mis, dated 20.8.31 — Q. 193

" " " 3697 Mis, " 20.11.31 — Q. 193

READ ALSO :—

Register No K 1929 | 31 From the Q, No. ——, dated —— 193

" " ——, " " ——, ——, " —— 193

" " ——, " " ——, " ——, " —— 193

RESOLUTION. Mis. No. 4118 dated 23.12.1931.

Issue suggested
23.XII.31

P 78-80 of the Manual

P 139 — 00-

The Collr's attention is invited to rules 50(vii) and 50(viii) chapter VI of the Mining Manual and clause (3) part VII of the model form of the mining lease and he is informed that the Local Govt. Can grant extension of time for starting operations in the mine at any time during the subsistence of a lease, provided that they are satisfied that there is sufficient reason for the grant of such a concession, the fault of any kinds of Contractors that will, however, be subject to the payment of dead-rents as required by rule 50(ii). The powers of the Local Govt. have been delegated to

to the Board. - Vide note under ~~rule~~ rule 4(4) Chapter VI of the Mining Manual. P 5-5 of the Manual

2/ In its Progs Mis. 570 & 16.2.31 the Board (U) authorised only the suspension of the working of the area granted on lease. The Coll's recommendation in his letter No. Ref. C. 403/31-A, & 23.1.31 to suspend the various parts of the lease ~~&c~~ referred to therein was not specifically approved. ~~D&S~~ Dead rent should be collected under rule 50 (i) whether extensions of time for working are granted/or whether the temporary closure of the mine is permitted - ~~Vide~~ as in the case disposed of in ~~of Bb~~ 1479 Mis. & 9.5.31. (V)

as in the case ~~of Bb~~ disposed of in Bb 570 Mis & 16.2.31 (U)

21.12.31. 22.12.31 22.12.31

To the Coll^r of Bellary.

Pleas send a/c to C 3.35 Hoe 23/1/1932

M4
S
A·S·(Sett).

Note file

Mining leases - Manganese - (Bellary - Kudligi Tk - Tummaraguddi reserve - Remission or suspension of dead - rent - Bf 3697 Mis. Sf 20-11-31 - Review - Proposal

K1929/31 p1c.7.

To A·S·(Sett).

S
M1

Pl. see the Bellary coll's letter p1c.7.

(T) 21. In its Progs Mis 2636 Sf 20-8-31 the Bd. refused either to remit or suspend the dead-rent due from the Mysore Dev. Syndicate (on the Tummaraguddi mine) but granted an extension of time by two years for starting its operations in the mine. On a review this: the Coll^r's pet^n p presented to the Board it directed the Coll^r to inform the advocate on behalf of the Mysore Dev. Syndicate that the rules do not permit the suspension of dead-rent and that the only concession that could be allowed was that already granted in the Bf at (T). The Coll^r now recommends that the orders at (M) maybe ~~revised~~ revised. In resubmitting the case for orders the Coll^r draws attention to

pp1-3 of (M).
Vide M's orders at p6N.F of (M)

p1c.7.

to two Points.

(1) that there appears to be no rule for granting extension of time for starting work. &

(2) that the BS. approved his recommendation to suspend ~~for~~ clause 3 of part VII, and part V and VI of the lease deed in the case of Mr. Abdul Haye regarding the Gunda reserve. He also points out that he has intimated the orders at (V) to Abdul Haye and that he will not pay the dead rent.

PB 5 70 Mis (V) 16.2.31.

The points raised by the Conr are examined below.

Point (1)

The order granting extension of time for starting operations under mine is based on rule 50 (VIII) at p 80 of the new Mining Manual and clause 3 part VII of the lease deed at p 139 of the Ms Attention is invited to lines 6 and 27 of clause 31 part VII of the lease deed from which it will be clear that the exemption from the rule may be granted at any time during the continuance of the lease which generally extends to a period of 30 years. The power of granting such exemption Local Govts has been delegated to the Board - Vide

vide note under rule(4) at p 55 of Mining Manual. The concession so granted ~~has to be~~ is subject to the condition that dead rent is always paid regularly. Under clause(2) ~~(a)~~ of part IX of the lease deed the lease is subject to termination for breach of the various covenants of the lease.

p 147 of the Mining Manual

p 3147-148. ?

Under clause(3) of the same part the Board may, however, allow the lease to continue after levying a penalty not exceeding four times the half-yearly rent. ~~The penalty~~ levied in cases where extension of time is granted should be taken to be ~~only the half yearly rent. The~~ concession so granted is the ~~not that could be granted~~. The Coll. is not therefore right in his statement that there is no rule for granting extension of time to lessees subject to the condition that dead-rent is paid regularly.

Further, under rule 50 (ii) at p 78 of the Manual the lessee should pay for every year after the first year a fixed yearly dead rent. Dead-rent is not to be paid when royalty

and the latter has to be paid when the mine is worked and the mineral is produced. Dead rent is collected when the mine is not worked or when sufficient quantity of the mineral is not produced so as to give an amount of royalty which will not be less than the dead-rent. It is clear that dead-rent should be paid so long as unless the lease is in force.

Point (2).

In his letter at p(U) of (U) the Coll^r recommended that part VII clause (3) and parts V and VI of the lease may be suspended in the case of Mr. Abdul Haye. The Bd. approved the Coll^r's proposal to suspend the lease for a period of two years. (The wording of the order is general. But the Coll^r's proposals to suspend the remaining parts of the lease deed was specifically not approved. The orders at (U) read with rule 50 (ii) of the suspension of the lease could only be taken to mean the suspension of the working of the area granted under the lease. The Coll^r is expected to have known that dead-rent is to be paid throughout the period of the lease except the first year whether the mine was working or not.

It is hereby ordered to suspend hereafter

R 570 Mis
16.2.31.

and VI. was not specifically approved he should have addressed the Board for definite orders regarding the collection of dead rent with ref. to rule 50 (ii) of the Manual.

The Coll.r states that Mr. Abdul will not pay the dead-rent due the lease for the Gunda reserve as copy of the Bd's order at (U) has not Comm.d to him. It is not known whether the order was simply Comm.d to the lessee or whether he was informed that dead-rent need not be paid. If the order had been simply Comm.d the lessee cannot claim exemption from payment of dead rent. If the Coll.r had told him that dead-rent need not be paid it should be taken to mean that he was beyond the Board's orders.

In the above circumstances it is sub.d that the Coll.r's attention may be drawn to the various rules quoted above and he may be informed that extension of time for working the mine may be granted subject to the condition that dead-rent was regularly paid

(CRL)
(7.12.31)

regularly paid and that the orders
authorised suspension of the
(V) ~~mere~~ only to the working of the
area granted under the lease and that
dead rent should be collected in
~~this case also~~.

In this connection attention
is invited to Bb.1479 file dt 9.5.31 in (V)
which Mr. Abdul Haq was permitted
to close another mine temporarily
for a period of one year. It is not
known whether the Coll^r has taken
this also to mean that no dead-rent
need be collected in that case also.
He may kindly be informed that dead-rent
should be collected under rule 50(ii)
whether extensions of time for working
are granted or whether the temporary
closure of the mine is ordered permitted.

Orders

Ste 15.12.31 Sd 16.12.31

Sd A.S.(Sett)

Draft submitted
Sd 22.12.31

Sd 21.12.31 Sd 22.XII.31

Sd 17.12.31

A.Hall 18.12.31.

Sd 17.12.31

SECY.
18 DEC 1931

(Chd) 17.12.31.

A.Hall 18.12.31

Sd 18.12.31

A.S.(Sett)

Pl. Draft
Sd
21.XII.31